



SAY NO TO OIL & GAS

The **Social Justice Cooperative of NL** strongly condemns the federal government's approval of the Bay Du Nord project. The Secretary General of the United Nations, António Guterres, recently warned us: **“Investing in new fossil fuel infrastructure is moral and economic madness.”** He was speaking of a United Nations climate report—issued just two days before the federal government approved the Bay du Nord project.

Pushing this project forward demonstrates a **blatant disregard toward principles of free, informed, prior, ongoing consent of Indigenous peoples** and is **inconsistent with UNDRIP, CANDRIP, and rights of people and the planet.**

Our province, Canada, and the planet **cannot afford another pollution-producing, oil-seeking money pit.** Contrary to what our provincial and federal governments say, there are **no responsible reasons to proceed with this project**, unless you represent Big Oil.

There are many compelling reasons to reject the Bay du Nord Project that fall under two major categories:

1. Environmental Impact
2. Economic Shortightedness, including Misleading Job Possibilities.

Environmental Impact Reasoning

- **It is based on a flawed environmental assessment**
 - Fisheries and Oceans Canada (DFO) scientists found that Equinor's environmental assessment contained several unresolved issues, including conclusions based on outdated baseline information. To quote directly from the DFO report:
 - DFO Science encountered multiple instances of mischaracterization and/or omission of available research from the referenced literature. Overall, reported baseline information was incomplete and outdated for almost all chapters reviewed by DFO Science. This installed a bias, significantly undermined the reliability and credibility of the assessment process, which sometimes led to inappropriate conclusions. In its current form, and until the problems identified in this report are addressed, the EIS is not considered a reliable source of information for decision-making processes.
 - (<https://waves-vagues.dfo-mpo.gc.ca/Library/41034946.pdf>)
- **Bay Du Nord will be a mega-polluter**
 - It will release as much carbon into the environment as 7-10 million additional cars. The “low carbon” numbers only refer to how much carbon it takes to get the oil out of the ground. It releases the rest of it once it's burned, damaging our environment even more.
- **This project will pollute the Flemish Pass with unknown toxins**
 - Equinor has no clear protocol for rapid risk mitigation in the case of an oil spill (which would take over three months to clean up). With the mackerel populations dwindling, cod fishery just recovering, and seabirds dying off the coasts, we cannot afford another oil disaster in our waters.
- **Bay Du Nord will prevent the world from reaching net carbon neutrality by 2050**
 - The International Energy Agency, the world's leading energy organisation, said there must be "*from today, no investment in new fossil fuel supply projects*" if the world is to meet the goal of net zero emissions by 2050. (<https://www.iea.org/news/pathway-to-critical-and-formidable-goal-of-net-zero-emissions-by-2050-is-narrow-but-brings-huge-benefits>). Bay du Nord will jeopardise that goal.
- **Our increasingly violent weather is a result of unchecked greenhouse gas emissions**
 - Here are the disasters that we are facing: the oceans will swallow small island nations, raise sea levels several feet, fuel more intense wildfires

and hurricanes, and exacerbate droughts, heat waves, hunger and flooding. The UN report on climate change mitigation found that climate change is already causing “dangerous and widespread disruption” to the natural world, as well as to billions of people around the planet.

- <https://www.washingtonpost.com/climate-environment/2022/03/21/15c-climate-guterres-life-support/> ;
<https://www.cbc.ca/news/science/ipcc-climate-change-canada-1.6367036>

Economic Impact Reasoning

- **Bay du Nord will not provide More Jobs for NL**
 - The sun is setting for the oil and gas industry as it is rising for renewable sources of energy. NL will have to close some of the current offshore oil projects for Bay du Nord to open or pay the emissions tax to meet our emission goal. That means getting rid of jobs to create a project that will employ fewer people. The operation of this project will rely more on technology solutions than human labour (creating very few ongoing jobs) and it will be more expensive to maintain. Jobs were already decreasing in O&G before COVID shut everything down... the workforce is already shrinking.

- **Bay du Nord will not make NL More Money**
 - It will not be operational until 2028, meaning there will be no income for at least the next six years. By then, most of Europe will be well on the way to divesting from oil and gas, making the profitability of Bay du Nord highly questionable. The Premier is predicting that demand for oil will increase, but what evidence is this based on? And how much will the project cost the taxpayer between now and 2028? What royalty rates have been negotiated and how do they compare to the royalty rates for Hibernia and White Rose? We need clear specific answers. This cannot be allowed to turn into another boondoggle. One of the major contributing factors for the Muskrat Falls debacle was the lack of transparency. Let's not repeat that mistake.
 - If demand for fossil fuels is successfully reduced in response to impending climate catastrophe, the price of oil will drop below \$40-50 and Bay du Nord will be uneconomic. The operation will cease and the oil in the Flemish Basin will be stranded and anyone with money invested in the project will lose out. Premier Furey is betting (with the public's money) that the world's plan to reduce greenhouse gases will fail, and oil will stay in demand. Should we really hedge our bets on an unlivable planet? It was not too long ago that a previous premier bet our money on continued high prices for fossil fuels only to be left with far less income than projected. Some of us have short memories.

- **Bay du Nord will continue to suck up millions of public dollars**
 - Public dollars could far more productively be invested in renewable energy infrastructure and worker training. In the last few years, NL subsidised oil and gas with \$82.6 million CAD (2020-2021) and \$94.7 million CAD (2021-2022). Imagine how many jobs those funds could have created, or how many projects it could have supported? Instead, we pay more in than we get back out.
 - The production of oil is a business. Businesses make their income by investing. Governments on the other hand should be concerned with the provision of making policy and providing services. The Federal and provincial governments should not commit any money to this project. If private capital is willing to take that risk then they've now, with its approval, been permitted to do so. Let's wait and see if private investors will come forward - and then we'll see if this is a truly profitable venture or just another scheme by the one percent to get more money from tax-payers.

- **Bay du Nord will not create a stable, sustainable future for NL**
 - The boom-and-bust cycle of fossil fuels, that we've already experienced, means Newfoundlanders and Labradorians will be employed according to what the economy says. When the price of oil drops, investors will walk away, leaving our workforce unemployed and unsupported.
 - Oil production worldwide has not led to economic stability or sustainability either here or elsewhere. The government's primary jobs are to regulate what goes on, and where appropriate to encourage certain types of endeavours – for example, helping workers transition to the renewable energy sector. It is not the government's role to "invest" our public money in projects that are properly the domain of private capital. (In some special cases a Crown Corporation providing a needed public service may qualify as an exception.)

We must stop oil and gas production and invest in renewable projects that provide clean energy and permanent employment for workers transitioning from oil and gas jobs and those wanting to be part of the green economy.

